Chapter 10 Section 1.5

# Mobile And Freestanding Extracorporeal Shock Wave Lithotripsy Units

Issue Date: September 21, 1988

Authority: Pub. L. 96-552 and 32 CFR 199.6(b)

## I. ISSUE

Whether benefits may be extended for services provided by mobile and freestanding shock wave lithotripsy units.

### II. BACKGROUND

Although Extracorporeal Shock Wave Lithotripsy (ESWL) became a benefit on June 3, 1985 (Retroactive to December 19, 1984), a problem has existed in the establishment of a payment mechanism which would recognize services provided by mobile or freestanding units. Of particular concern has been the fact that lithotripsy requires ancillary support services resulting in two separate charges. The professional charge is billed by the individual professional who actually performs the procedure, and the technical charge for supplies, recovery room, and capital costs are billed by the institutional provider. Lithotripsy may be performed in settings such as inpatient hospital, outpatient hospital, mobile clinics, or in freestanding institutions.

#### III. POLICY

A. In order to bill for services rendered, ESWL units must meet the requirements for authorization as institutional providers, either as hospitals or as Ambulatory Surgical Centers.

- B. HOSPITALS: Must meet the requirements of 32 CFR 199.6(b)(4)(i).
- C. FREESTANDING ESWL UNITS: (Freestanding ESWL Units are those units that are owned and operated independently of hospital ownership). Such units must meet the criteria for certification as Ambulatory Surgical Centers as stipulated under 32 CFR 199.6(b)(4)(x). This is true even if the ESWL unit is physically located on the premises of an authorized hospital.
- D. MOBILE ESWL UNITS: ESWL performed through a mobile unit may be reimbursed only if billed by a qualified, approved, institutional provider. Services billed by mobile units on their own behalf will not be recognized.

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E. REIMBURSEMENT: There are two separate charges involved in ESWL: the professional charge, billed by the individual professional practitioner, who performs the procedure, and the technical charge which typically includes supplies, recovery room services, anesthesia, drugs, and capital costs. Claims for technical charges submitted by an authorized hospitals or ambulatory surgical centers are payable, subject to normal adjudication procedures. In the case of DRG hospitals, reimbursement for the technical charges is included in the DRG payment.

### F. RELATED REFERENCES:

- 1. Hospitals, general, 32 CFR 199.6(b)(4)(i).
- 2. Freestanding Ambulatory Surgical Centers:
  - a. Defined, 32 CFR 199.6(b)(4)(x)(B)(1).
- b. Certification, Chapter 11, Section 11.3, Freestanding Ambulatory Surgery Center Certification.
- C. Reimbursement, Chapter 13, Section 6.1A, Hospital Reimbursement TRICARE/CHAMPUS DRG-Based Payment System (General); Chapter 13, Section 9.1, Ambulatory Surgical Center Reimbursement; and 32 CFR 199.14.
  - d. Lithotripsy, Chapter 3, Section 9.2, Lithotripsy.

IV. EFFECTIVE DATE December 19, 1984

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